

A Resolution

NO. 3611-04-2008

AUTHORIZING THE CITY ATTORNEY TO RETAIN THE LAW FIRM OF KELLY HART & HALLMAN, LLP FOR ASSISTANCE REGARDING CONDOMINIUM DECLARATIONS RELATED TO THE OMNI HOTEL PROJECT

WHEREAS, pursuant to City Secretary Contract No. 31736, as amended by City Secretary Contract No. 36169 (collectively, the "Lease"), Omni Fort Worth Partnership, L.P. ("Omni") leases real property owned by the City of Fort Worth ("City") that is located directly to the west of the Fort Worth Convention Center (the "Leased Property"), as more specifically described in the Lease; and

WHEREAS, the Lease authorizes Omni to construct a hotel, parking garage, and a residential condominium tower on the Leased Property, and anticipates that each of these improvements will be divided into separate condominium units, with the residential tower further sub-divided into separate residential living units; and

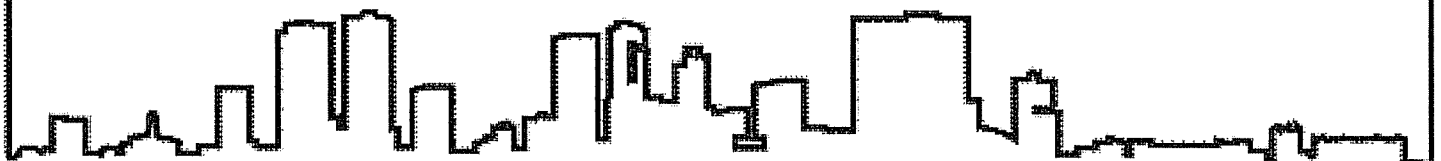
WHEREAS, pursuant to Section 3.5 of the Lease, the City is required to cooperate with Omni as reasonably necessary to create the condominium regime anticipated by the Lease and to subordinate its interest in the Lease to the rights and interests of the owners of the separate residential units, as well as to execute all documents evidencing such subordination; and

WHEREAS, the law firm of Kelly Hart & Hallman, LLP has substantial expertise in the area of condominium law and has agreed to represent the City in this matter;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FORT WORTH, TEXAS:

I.

That the City Attorney is hereby authorized to retain the law firm of Kelly Hart & Hallman, LLP as outside counsel pursuant to Section 3, Chapter VI of the City Charter to assist the City Attorney in reviewing all condominium declarations proposed by Omni and negotiating all documents necessary to for the City to evidence the subordination of its interest in the Ground Lease to owners of the separate residential units in the residential tower.



CITY OF FORT WORTH

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II.

That the compensation to be paid to the law firm of Kelly Hart & Hallman, LLP shall not exceed \$3,318.00.

AND IT IS SO RESOLVED.

Adopted this 1st day of, 2008.

ATTEST:

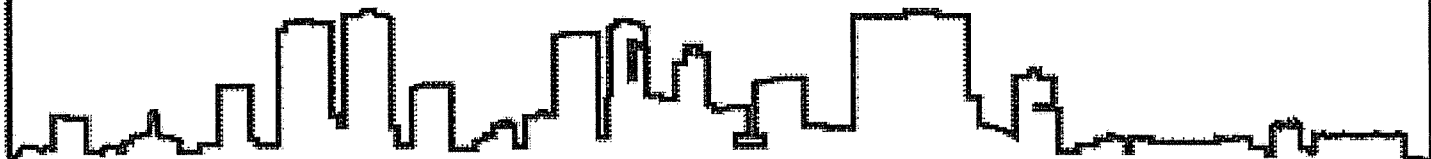
By: _____

Marty Hendrix
City Secretary

APPROVED
CITY COUNCIL

APR 01 2008

Marty Hendrix
City Secretary of the
City of Fort Worth, Texas



CITY OF FORT WORTH

City of Fort Worth, Texas
Mayor and Council Communication

COUNCIL ACTION: Approved on 4/1/2008 - Res. No. # 3611-04-2008

DATE: Tuesday, April 01, 2008

LOG NAME: 12OMNI

REFERENCE NO.: **G-16092

SUBJECT:

Adopt Resolution Authorizing the City Attorney to Retain the Law Firm of Kelly Hart and Hallman, LLP, for Assistance Regarding Condominium Declarations Related to the Omni Hotel Project

RECOMMENDATION:

It is recommended that the City Council adopt the attached Resolution authorizing the City Attorney to retain the law firm of Kelly Hart and Hallman, LLP, for assistance in reviewing and negotiating condominium declarations and related subordination agreements pertaining to the Omni Hotel project.

DISCUSSION:

The City has entered into a Tax Abatement Agreement and an Economic Development Program Agreement under which the City will provide certain economic incentives to Omni Fort Worth Partnership, L.P. (Omni), in return for its construction and operation of an approximately 600-room convention center headquarters hotel. The City has also entered into a number of related agreements with Omni, including a lease of the City-owned property on which the hotel and other improvements constructed by Omni will be located, City Secretary Contract No. 31736, as amended by City Secretary Contract No. 36169 (Ground Lease).

The Ground Lease authorizes Omni to construct a hotel, parking garage, and a residential condominium tower on the property, and anticipates that each of these improvements will be divided into separate condominium units, with the residential tower further sub-divided into separate residential living units. Pursuant to Section 3.5 of the Lease, the City is required to cooperate with Omni in creating the condominium regime anticipated by the Lease and to subordinate its interest in the Lease to the rights and interests of the owners of the separate residential units, as well as to execute all documents evidencing such subordination. In other words, the intention here is to protect the owners of the residential condominiums from any risk of losing their homes if Omni were ever to breach the Lease.

Condominium law and the real estate interests involved with condominium regimes requires special legal expertise of a nature that the City typically does not deal with in its regular course of business. As a result, the City Attorney is requesting the City Council's consent for retention of Andy Rogers at Kelly Hart & Hallman, LLP, for assistance in this matter. The cost for this service is \$3,318. In accordance with the City Charter, the City Council must adopt a Resolution and provide authorization for this service.

FISCAL INFORMATION/CERTIFICATION:

The Finance Director certifies that funds are available in the current operating budget, as appropriated, of the General Fund.

TO Fund/Account/Centers**FROM Fund/Account/Centers**GG01 538110 0121000\$3,318.00

Submitted for City Manager's Office by:

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